

CANNON BUILDING 861 SILVER LAKE BLVD., SUITE 203 DOVER, DELAWARE 19904-2467

STATE OF DELAWARE REAL ESTATE COMMISSION

TELEPHONE: (302) 744-4500 FAX: (302) 739-2711 WEBSITE: <u>DPR.DELAWARE.GOV</u> EMAIL: <u>customerservice.dpr@state.de.us</u>

PUBLIC MEETING MINUTES: REAL ESTATE COMMISSION

MEETING DATE AND TIME: Thursday, August 13, 2015 at 9:00 a.m.

PLACE: 861 Silver Lake Boulevard, Dover, Delaware

Conference Room A, Second Floor of the Cannon Building

MINUTES FOR APPROVAL September 10, 2015

MEMBERS PRESENT

Justin Healy, Professional Member, Chairman Jason Giles, Professional Member, Vice Chairman Lynnette Scott, Professional Member, Secretary Andrew Staton, Professional Member Lynn Rogers, Public Member Curtis Rogers, Public Member Joseph F. McCann, Public Member

DIVISION STAFF/ DEPUTY ATTORNEY GENERAL

Eileen Kelly, Deputy Attorney General Sandra Wagner, Administrative Specialist III Jessica Williams, Administrative Specialist II

MEMBERS ABSENT

Michael Harrington, Sr., Professional Member Lynne Newlin, Public Member

ALSO PRESENT

Michael Conlon Charles Bolig, Artisan Realty Ethel Lewis, Keller Williams Monica LeBlanc, NextRE Liza Orlando, NextRE Angela Emerson, SCAOR

CALL TO ORDER

Mr. Healy called the meeting to order at 9:05 a.m.

REVIEW OF MINUTES

Mr. Staton made a motion, seconded by Mr. McCann, to approve the minutes of the meeting held on July 9, 2015. By unanimous vote, the motion carried.

NEW BUSINESS

Propose to Deny Hearing – Shanen Truitt

Minutes for the hearing are at the bottom of the page.

Discussion and Review of Hearing Officers Recommendations

<u>Sikander Aasim</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Staton describing the sanctions. After discussion, Mr. Staton made a motion, seconded by Mr. L. Rogers, to accept the Hearing Officer's recommendation with amendment of 30 days suspension instead of the 14 days suspension in recommendation. By unanimous vote, the motion carried. Ms. Kelly brought to the Commissions attention that the recommendation states that Mr. Aasim would have to appear before the Commission to get his suspension lifted. Mr. Staton withdrew his original motion, to strike through the "appear" before the Commission language. A new motion was made by Mr. Staton and seconded by Mr. Giles, to strike through the language in the recommendation about appearing before the Commission and 30 day suspension instead of the recommended 14 days suspension. By unanimous vote, the motion carried.

<u>Carlos Bernal</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Ms. Scott describing the sanctions. After discussion, Ms. Scott made a motion, seconded by Mr. Staton, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

<u>Charles Bolig</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer. Mr. Bolig was present for the Commission meeting and the Commission asked Mr. Bolig if he would like to address the Commission. Mr. Bolig stated the reasons for not having the continuing education completed on time and explained that this was the second recommendation as he had a hearing for the 2010-2012 audit period as well. After discussion, Mr. McCann made a motion, to change the 6 months suspension to 3 months. There was no second, so the motion failed. Mr. Staton made a motion, seconded by Mr. Healy, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

<u>Cleandre Clarke</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. McCann describing the sanctions. After discussion, Mr. McCann made a motion, seconded by Mr. Staton, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

<u>David Foster</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Staton describing the sanctions. After discussion, Mr. Staton made a motion, seconded by Mr. Ms. Scott, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

<u>Robert Jester</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Giles describing the sanctions. After discussion, Mr. Giles made a motion, seconded by Mr. Staton, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

<u>Jennifer Jones</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Giles describing the sanctions. After discussion, Mr. Giles made a motion, seconded by Mr. Staton, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

<u>Margaret Lawson</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. McCann describing the sanctions. After discussion, Mr. McCann made a

motion, seconded by Mr. Giles, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

Mr. Leslie Sax – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. L. Rogers describing the sanctions. After discussion, Mr. L. Rogers made a motion, seconded by Ms. Scott, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

<u>Debra Seramone</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. L. Rogers describing the sanctions. After discussion, Mr. L. Rogers made a motion, seconded by Mr. Ms. Scott, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

<u>Thomas Spruance</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Healy describing the sanctions. After discussion, Mr. Healy made a motion, seconded by Mr. Staton, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

Education Committee Report

Ms. Williams went through the Education Committee minutes with the Commission. They reviewed fourteen new course provider applications of which nine were approved, four were contingent approved with submission of the course outlines, and one was denied as for one hour but did not qualify for any of the modules, thirteen instructor applications were reviewed and approved and one was tabled for the application to be completed. The Committee reviewed a reconsideration of Omega Real Estate School for a course that they previously approved for module 6 and denied the request because the course content did not qualify for module 5.

The Committee had a discussion of a course held by Kent County Association of Realtors held on July 16, 2015 titled "What's the difference between professional ethics and personal ethics" and they held the course after the course was expired. Ms. Williams explained to the Committee that this was both KCAR's and the Division's fault as the Information Center gave the wrong information out to the person from KCAR that called in to ask about holding the course. KCAR was told to go ahead and hold the course and make sure the course gets retroactive. Ms. Williams did bring that up to our Information Center on how they should answer those types of questions. KCAR did fail to supply the appropriate application 60 days prior to their course expiring. Courses are good for 2 years then after the 2 years a course must get resubmitted. The Education Committee is offering a recommendation that the students do not get penalized as there were approximately 22 students and KCAR did provide a new application and that the course be made retroactive to July 1st. The other recommendation is that a letter be sent to KCAR advising them as a reminder of their course provider responsibilities.

There are two vacancies open on the Education Committee now for a Sussex County public member and a Kent County professional member. The Commission was given the applicants' resumes. The Education Committee is recommending Ms. Denise Tatman for the Sussex County vacancy and Ms. Debbie Oberdorf for the Kent County vacancy based on their experience.

The Education Committee received correspondence from Ms. Shirley Kalvinsky regarding the allocation of hours in the pre-licensing course. The Committee found the correspondence a little confusing and is suggesting that Ms. Kalvinsky attend an Education Committee meeting to further address her concerns and suggestions.

Mr. Riale gave the Committee the update from the Commission meeting last month. The Education Committee will start brainstorming different options and guidelines in reference to online pre-licensing courses. Ms. Kelly will be attending the Education Committee meetings to ensure that the Guidelines and ARELLO requirements match up.

Recommendation to Approve and Deny Course Providers, Instructor Applications and Student Requests as Noted

Mr. Staton made a motion, seconded by Mr. McCann to approve to the education approvals submitted by the Education Committee. By unanimous vote, the motion carried.

Mr. Staton made a motion, seconded by Ms. Scott, to approve Denis Tatman as the new public member of the Real Estate Education Committee and Ms. Debbie Oberdorf as the new professional member on the Real Estate Education Committee. By unanimous vote, the motion carried.

Applications for Licensure

Ratification of Salesperson Applications

Mr. Staton made a motion, seconded by Ms. Scott, to ratify the following applications for salespersons:

Kathryn Bayer, Century 21 Gold Key, Newark, DE

Robert Brescia, Patterson Schwartz, Hockessin, DE

Francis Esparza, Linda Vista Real Estate, Seaford, DE

Viktoryia Fedarkevich, Tansey-Warner Realty, Bethany Beach, DE

Austin Hodges, Harrington ERA Realty, Inc., Dover, DE

Charles Mann, NextRE, Dover, DE

Shirlene Mann, NextRE, Dover, DE

Michael McGinley, Long & Foster, Lewes, DE

Michael Saunders, Re/Max Associates, Newark, DE

Precious Miller, Harrington ERA, Dover, DE

Michael Willey, Patterson-Woods Commercial Properties, Wilmington, DE

Frank Bateman, Keller Williams Realty, Wilmington, DE

Kimberly Stocklager, The Moving Experience, Dover, DE

Sha-Fequah Riddick, Patterson Schwartz Real Estate, Newark, DE

Jeremy Suloff, Keller Williams at the Beach, Rehoboth Beach, DE

Ralph Reynolds, NRT Philadelphia d/b/a Coldwell Banker Preferred, Wilmington, DE

Nancy Bruno, Keller Williams at the Beach, Rehoboth Beach, DE

Cole McQuilken, CM Commercial Realty, Inc., Bel Air, MD

Erin Baker, Olson Realty d/b/a/ We Win Together, Dover, DE

Bianca Pagan, Meyer & Meyer Realty, Wilmington, DE

Sally Simons, RE/MAX Eagle Realty, Smyrna, DE

Patricia Norvell, NextRE, Middletown, DE

Jeanmarie Clavier, Jack Lingo, Inc., Rehoboth Beach, DE

Melvin Novak, Patterson Schwartz & Associates, Newark, DE

Lonie Welch, Patterson Schwartz, Greenville, DE

Jenny Lathem, Century 21 Emerald, Wilmington, DE

Vanessa Hamm, Century 21 Emerald, Wilmington, DE

Vincent Cyr, Weichert Realtors, Chadds Ford, PA

Stephanie Talbott, Coldwell Banker Residential Brokerage, Bethany Beach, DE

Christopher Perez, BHHS Fox & Roach, Devon, PA

Andrea Trageser, Long & Foster, Bethany Beach, DE

Lynn Kuttruff, Long & Foster, Greenville, DE

Christopher Manniso, Patterson Schwartz Real Estate, Hockessin, DE

Heather Palmer, Patterson Schwartz Real Estate, Greenville, DE

Michael Cassam, BHHS Fox & Roach, Newark, DE

Keith Lawson, RE/MAX Realty Group, Rehoboth Beach, DE

Jennifer Lee, BHHS Fox & Roach, Greenville, DE

Matthew Masceri, CBRE Inc., d/b/a CBRE FAMECO, Philadelphia, PA

Kelly Lunkwitz, RE/MAX Associates, Newark, DE

Roger Cresto, Delaware Homes Real Estate, Townsend, DE

Scott Harrison, Harrison Properties LTD., Wilmington, DE

Brandon Calloway, NRT Phila, LLC d/b/a Coldwell Banker Preferred, Wilmington, DE

Keita Grant, Patterson Schwartz Real Estate, Hockessin, DE

Sohail Malik, Keller Williams Realty, Wilmington, DE

Christopher Lougheed, DSM Brokerage Services, LLC, Newark, DE

William Poeggel, Keller Williams, Christiana, DE

Corey Mahoney, RE/MAX Realty Group, Rehoboth Beach, DE

Corey McMillan, BHHS Fox & Roach, Newark, DE

Christopher Fisher, Keller Williams Realty, Christiana, DE

Donna Short, Keller Williams, Dover, DE

Robert Hoisington, Long & Foster Real Estate, Lewes, DE

Kelley Cole, Burns & Ellis, Realtors, Dover, DE

Amanda Herbener, BHHS Fox & Roach, Hockessin, DE

Rakan Abu-Zahra, Keller Williams Realty, Wilmington, DE

Frances Tisdale, BHHS Fox & Roach, Bear, DE

Johnel Brown, Keller Williams Realty, Wilmington, DE

Yvette Bronner, Long & Foster Realty, Greenville, DE

Diana Cresto, Delaware Homes Real Estate, Townsend, DE

Erik Lee, Redfin Corporation, Conshohocken, PA

Kenneth Rogers, BHHS Fox & Roach, Hockessin, DE

Stephanie Walch, Coldwell Banker Residential Brokerage, Ocean City, MD

Kimberly Doiron, Coldwell Banker Residential Brokerage, Bethany Beach, DE

Karen Russo, Coldwell Banker Residential Brokerage, Ocean City, MD

Rasheed Wilson, Weichert Realtors - First Class, Dover, DE

Elizabeth West, Coldwell Banker Resort Realty, Rehoboth Beach, DE

Kevin Kerrigan, Keller Williams Reatly, Christiana, DE

Erin Kirby, Patterson Schwartz, Greenville, DE

Holly Mahoney, Weichert Realtors, Chadds Ford, PA

Leslie Sasada, Resort Quest Real Estate, Bethany Beach, DE

Hanh Rachefsky, Long & Foster Real Estate Inc, Bethany Beach, DE

Alexis Shupe, Berkshire Hathaway Fox & Roach, Newark, DE

Chad Padgett, Weichert Realtors - First Class, Dover, DE

Ricky McCausland, Harrington Realty, Inc., Dover, DE

Sarah Laux, Keller Williams Realty at the Beach, Rehoboth Beach, DE

Luz Escobar, The SEA BOVA Associates, Inc., Rehoboth Beach, DE

Stephen Luchansky, Keller Williams Realty at the Beach, Rehoboth Beach, DE

By unanimous vote, the motion carried.

Review of Salesperson Application

Ms. Kelly described the reason for the review of Mr. Michael Conlon's application for Salesperson by examination. Since Mr. Conlon was present for the meeting the Commission asked if he had any comments. Mr. Conlon answered all the questions from the Commission. The Commission decided after some discussion to propose to deny Mr. Conlon so that he could come in for a hearing and give

his testimony for the record. Mr. Staton made a motion, seconded by Mr. C. Rogers to propose to deny the salesperson's application of Mr. Michael Conlon. By unanimous vote, the motion carried.

Review of Broker and Associate Broker Applications

The Commission reviewed the associate broker's application of Tammy Carter. Mr. Staton made a motion, seconded by Ms. Scott, to approve Ms. Carter's application. By unanimous vote, the motion carried.

The Commission reviewed the broker's application of Deborah SeBour. Mr. Staton made a motion, seconded by Ms. Scott, to approve Ms. SeBour's application. By unanimous vote, the motion carried.

Review of Applications for Reinstatement

The Commission reviewed the application of Robert Teevan for reinstatement of a Salesperson's license. Mr. Staton made a motion, seconded by Ms. Scott, to approve Mr. Teevan's reinstatement application. By unanimous vote, the motion carried.

The Commission reviewed the application of Richard Sapp for reinstatement of a Salesperson's license. Mr. Staton made a motion, seconded by Ms. Scott, to approve Mr. Sapp's reinstatement application. By unanimous vote, the motion carried.

The Commission reviewed the application of Basil Marcial Nieves for reinstatement of a Salesperson's license. Mr. Staton made a motion, seconded by Ms. Scott, to approve Mr. Marcial-Nieves' reinstatement application. By unanimous vote, the motion carried.

The Commission reviewed the application of Charles Headley for reinstatement of a Salesperson's license. Mr. Staton made a motion, seconded by Ms. Scott, to approve Mr. Headley's reinstatement application upon successful passing of the Delaware State Exam. By unanimous vote, the motion carried.

Review of Applications for New Office

The Commission reviewed the application of Jerry Mueller Real Estate, for a new branch office. Mr. Staton made a motion, seconded by Mr. L. Rogers, to approve the new branch office application. By unanimous vote, the motion carried.

The Commission reviewed the application of Berkshire Hathaway Home Services Fox & Roach for a relocation of their office. Mr. Staton made a motion, seconded by Mr. L. Rogers, to approve the relocation of their office application. By unanimous vote, the motion carried.

The Commission reviewed the application of Keller Williams Realty for a relocation of their office. Mr. Staton made a motion, seconded by Mr. L. Rogers, to approve the relocation of their office application. By unanimous vote, the motion carried.

Status of Complaints

Complaint # 02-59-14 - Closed by the Investigator

Complaint # 02-27-14 – Closed by the Investigator

Complaint # 02-05-15 - Closed by the Investigator

Complaint # 02-37-14 - Closed by the Investigator

Complaint # 02-34-14 - Closed by the Investigator

Complaint # 02-35-14 - Closed by the Investigator

Complaint # 02-48-13 – Dismissed by the Attorney General's Office

Complaint # 02-46-13 – Dismissed by the Attorney General's Office

Complaint # 02-45-13 – Dismissed by the Attorney General's Office Complaint # 02-44-13 – Dismissed by the Attorney General's Office

Complaint # 02-43-13 – Dismissed by the Attorney General's Office

Correspondence

Letter from Valerie Harmke

Ms. Harmke wrote a letter to the Commission because she realized that she was non-compliant with her newly licensed modules and wanted the Commission to know of her oversight. The Commission discussed the letter and although Ms. Harmke was non-compliant for her newly licensed modules, the Commission found that she was honest and forthcoming about her situation. Mr. Giles made a motion, seconded by Mr. Staton, to accept Ms. Harmke's submitted hours. By unanimous vote, the motion carried.

Question about placement of the statutory CMA disclosure language - Ms. Wagner

Ms. Wagner received a call regarding placement of the CMA statutory language on CMA reports. 24 Del. C. Sec. 2931(2) states:

(2) The following disclosure shall appear in at least a 12-point bold face type font and located immediately following the estimated market price:

"Notwithstanding any language to the contrary contained herein, this Competitive Market Analysis is NOT an appraisal of the market value for property and is not intended to be used for any legal purpose including approval of a mortgage loan, modification of a mortgage loan, divorce/property separation, estate settlement, bankruptcy proceedings or any other purpose where real estate value is needed. If an appraisal is desired, the services of a licensed or certified appraiser must be obtained."

The Commission stated that the law says exactly where the wording needs to go on CMA reports. Ms. Scott made a motion, seconded by Mr. Healy, that no action to be taken as to this inquiry other than notifying the person of the statutory provision above. By unanimous vote, the motion carried.

OLD BUSINESS

Review and Consider Proposed Changes to Unimproved Lot Sellers Disclosure and New Construction Disclosure Forms

Mr. Staton made motion, seconded by Ms. Scott, to move the discussion of these documents to the Real Estate Sub-Committee. By unanimous vote, the motion carried.

Letter from Dean Williams requesting to withdraw application

Mr. Williams submitted a letter to the Commission asking that he be allowed to withdraw his application. Mr. Staton made a motion, seconded by Mr. Healy, allowing Mr. Williams to withdraw his application. By unanimous vote, the motion carried.

Re-review of tabled application for John Bean

The Commission reviewed the email submitted by Mr. John Bean. After discussion by the Commission, Ms. Scott made a motion, seconded by Mr. McCann, to grant Mr. Bean his salesperson's license in Delaware. By unanimous vote, the motion carried.

OTHER BUSINESS BEFORE THE COMMISSION (for discussion only)

Ms. Wagner asked the Commission a question about the following scenario: a salesperson applying by reciprocity wants to take the broker's pre-licensing law portion of the course instead of the

salesperson's pre-licensing law portion because the person took and passed the state exam but doesn't meet any of the other statutory requirements. There is a pre-licensing broker's course coming up and he wanted to be able to get his application completed and submitted. After discussion, the Commission decided that they could not answer this question because there was no application pending and insufficient information was provided. Ms. Emerson (SCAOR) will let this person know that the Commission needs more information in order to answer his questions.

Ms. Wagner had another question for the Commission. A licensed salesperson would like to become a licensed broker in Delaware. He is a broker in Maryland but he works with rentals and not sales. His question is that he has been in rentals and does not meet the requirement of 30 sales or lease transactions and wants to know how he can get his license in Delaware as a broker without meeting that requirement. The Commission's rules state a broker must have 30 sales in order to become a broker. Ms. Kelly read the rules about time share and property management transactions are not considered as eligible sale or lease transactions. Therefore, the Commission discussed that this individual would need to have the 30 sales in order to become a broker in Delaware.

PUBLIC COMMENT

Ms. LeBlanc addressed the Commission about the lockbox issue. Ms. LeBlanc has offices in every county. However she is not a member of each county's realtor association. Because of this, her agents cannot get into houses to show without the listing agent's cooperation. Mr. Staton stated that this is really an association issue. Ms. LeBlanc says she understands that but this is not protecting the public when you cannot show a house in another county because you cannot get into the lockbox. It may not be beneficial for a realtor practicing primarily in Sussex County to be a part of each county's association just for lockbox access.

NEXT SCHEDULED MEETING

The next meeting will be held on Thursday, August 13, 2015 at 9:00 a.m.

ADJOURNMENT

Mr. Healy made a motion, seconded by Ms. Scott, to adjourn the meeting. By unanimous vote, the motion carried. The meeting adjourned at 11:00 a.m.

Respectfully submitted,

Sandra Wagner

Administrative Specialist III

The notes of this meeting are not intended to be a verbatim record of the topics that were presented or discussed. They are for the use of the Board members and the public in supplementing their personal notes and recall for presentations.

HEARING MINUTES

HEARING – PROPOSE TO DENY

The Delaware Real Estate Commission held a hearing on August 13, 2015 at 9:00 a.m. in the Second Floor Conference Room A, Cannon Building, 861 Silver Lake Blvd., Suite 203, Dover, Delaware.

PRESENT: Justin Healy, Jason Giles, Joe McCann, Lynn Rogers, Lynnette Scott, Curtis Rogers,

Andy Staton

PURPOSE: Propose to Deny

PRESIDING: Justin Healy, Chairperson

BOARD STAFF: Sandra Wagner, Administrative Specialist III

DEPUTY ATTORNEY GENERAL FOR THE BOARD: Eileen Kelly, DAG

TIME STARTED: 10:00 a.m.

The hearing was recorded for verbatim testimony. Ms. Kelly confirmed Ms. Shanen Truitt was present for the hearing. Ms. Kelly summarized the reason for the proposed to deny hearing. Ms. Kelly entered documents as Commission Exhibit 1, specifically, the application and letters. The Commission members introduced themselves for the record. Ms. Truitt entered documents as Applicant Exhibit 1: the final disposition of her charge and a letter from probation. Ms. Truitt gave her testimony to the Commission. The Commission asked Ms. Truitt questions about the incident. Ms. Truitt called Ms. Ethel Lewis as a charater witness. Ms. Lewis gave her testimony. The Commission deliberated on the proposed to deny hearing. Mr. Staton made a motion, seconded by Mr. McCann, to grant a waiver to Ms. Truitt for licensure in Delaware. By unanimous vote, the motion carried. The hearing concluded at 10:20 a.m.